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VIA EMAIL: comment@osc.gov.on.ca

December 5, 2018

*British Columbia Securities Commission
Alberta Securities Commission
Financial and Consumer Affairs Authority of Saskatchewan
Manitoba Securities Commission
Ontario Securities Commission
Autorité des marchés financiers
Financial and Consumer Services Commission (New Brunswick)
Superintendent of Securities, Department of Justice and Public Safety, Prince Edward Island
Nova Scotia Securities Commission
Securities Commission of Newfoundland and Labrador
Registrar of Securities, Northwest Territories
Registrar of Securities, Yukon Territory
Superintendent of Securities, Nunavut*

(together, the CSA)

c/o The Secretary, Ontario Securities Commission
20 Queen Street West
19th Floor, Box 55
Toronto, Ontario M5H 3S8

Attention: Alex Fisher, Senior Accountant, Ontario Securities Commission

Dear Sirs / Mesdames:

Re: Request for Comments on Proposed National Instrument 52-112 Non-GAAP and Other Financial Measures Disclosure

Ontario Power Generation, Inc. (OPG or the company) appreciates this opportunity to comment on the Proposed National Instrument 52-112 (the Proposed Instrument).

About Ontario Power Generation

OPG is an Ontario-based electricity generation company whose principal business is the generation and sale of electricity in Ontario. With a total in-service generating capacity of 16,218 MW as of September 30, 2018, the company owns and operates two nuclear generating stations, one thermal generating station, 66 hydroelectric generating stations, one wind power turbine and co-owns two nuclear stations and two gas-fired combined cycle generating stations in Ontario. Subsequent to September 30, 2018, the company acquired Eagle Creek Renewable Energy, LLC (Eagle Creek), an owner and operator of small hydroelectric facilities throughout the United States. The company is wholly-owned by the Province of Ontario. As a reporting issuer in all of the provinces of Canada, OPG is subject to the requirements of the *Securities Act (Ontario)* and the securities legislation of the other provinces.

We have reviewed the Proposed Instrument and provide the following comments.

- As a rate regulated entity, OPG is subject to the provisions of the *Ontario Energy Board Act, 1998* and *Ontario Regulation 53/05*, and receives regulated prices for certain generation facilities as determined by the Ontario Energy Board (OEB). OPG is currently the only electricity generator in Ontario that has its prices set through a public hearing process by the

OEB. Such oral public hearing processes and other applications submitted by the company to the OEB are memorialized through publicly-available transcripts as linked to on OPG's website. The availability of transcripts of such oral statements and applications made by OPG to the OEB may therefore be captured within the scope of the Proposed Instrument, which would require a significant amount of compliance effort to ensure any non-GAAP, capital management, segment or supplementary financial measures are appropriately captured resulting from OEB hearings. We believe that the intent of the Proposed Instrument is to focus on decision-making for investors rather than a broader group of stakeholders, and therefore recommend that the requirements for appropriate recognition and disclosure of non-GAAP measures within transcribed oral statements and applications made in connection with rate setting and other regulatory activities be explicitly restricted to financial documents intended to provide information to investors, rather than those documents that primarily service other stakeholders.

- We consider the inclusion of definitions of non-GAAP financial measures and reconciliations to equivalent GAAP measures within each individual document filed with the CSA to create voluminous disclosure that would be duplicated across several public documents that are filed concurrently with applicable securities commissions. Where non-GAAP financial and other measures are published in such individual documents, we suggest that permitting a direct reference to a single source, such as the MD&A or a separate non-GAAP definition and reconciliation filing, would provide more concise and streamlined information to investors whilst meeting the spirit of the Proposed Instrument.
- We find the application to 'all documents' within Section 2(2) of the Proposed Instrument to be broad. As our disclosures are intended to meet regulatory requirements and also for the benefit of investor decision-making and stakeholder confidence, many online publications and communications on company websites that are typically prepared for a purpose outside of the investor realm would potentially fall under this broad definition. Accordingly, we suggest that the Proposed Instrument may benefit from additional clarification that such publications for which the primary audience is not investors, such as sustainability reports, environmental reports, corporate newsletters and communications on company websites not considered to be aimed at an investor audience, are outside the scope of the Proposed Instrument.
- As a supporter of the recommendations outlined by the Financial Stability Board's Task Force for Climate-related Financial Disclosures (TCFD), on the assumption that the CSA's Climate Change-related Disclosure Project as outlined in CSA Staff Notice 51-354 aligns to similar principles, we are interested to see how the requirements of section 5 of the Proposed Instrument as they relate to Future Oriented Financial Information (FOFI) align with such proposed disclosures as recommended by the TCFD, which are currently in early stages across applicable reporting issuers.

We thank you for the opportunity to provide our comments. Please contact me if you wish to discuss these comments.

Yours truly,

ONTARIO POWER GENERATION

John Mauti
Vice President, Chief Controller and Accounting Officer